(5) Launching of New Credit Guarantee Scheme by SIDBI under which collateral free loans upto Rs. 25 lakhs are covered for guarantee under the scheme.

(6) Raising the limit of the projects to Rs. 50 lakhs for providing assistance under the National Equity fund Scheme;

(7) The individual credit limit to artisans, village and cottage industries for reckoning under advance to weaker sections is increased to Rs. 50,000/- from the present limit of Rs. 25,000/.

(8) Earmarking of 30% of the Investment under National Equity Fund Scheme for the tiny Sector.

Foreign Exchange Regulation Act

668. SHRI SURESH PACHOURI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government propose to amend the Foreign Exchange Regulation Act to monitor the use of these funds by NGO; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Government is considering certain changes in the law governing the receipt and utilization of foreign contribution by voluntary organizations to remove shortcomings noticed in the present law.

Debt burden of farmers

†669. SHRI LAJPAT RAI:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that burden of debt on the farmers is increasing as a result of higher rate of interest on loans provided to them;

(b) if not, Government's reaction thereto;

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†Original notice of the question was received in Hindi.

(c) whether it is also a fact that a request has already been made to Government for lowering the interest rate; and

(d) if so, the decision so far taken on this matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Currently the lending rates have been deregulated and the banks are free to set their Prime Lending Rates (PLR), which would be the minimum rate charged by banks for credit limits over Rs. 2 lakhs. However, for agricultural loans, it has been stipulated that the lending rates for credit limits of Rs. 2 lacs and below should not exceed the PLR. As a substantial portion of the agriculture credit accounts falls under credit limits up to Rs. 2 lacs, there is no proposal at present to modify the interest rate for loans to farmers.

Investment by RBI in foreign countries

†670. SHRI KAPIL SIBAL:
SHRI RAJIV RANJAN SINGH 'LALAN':

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Reserve Bank of India invest capital in foreign countries;

(b) if so, the details of the capital invested in foreign countries during the years 1999-2000, 2000-2001 and 2001-2002 and first nine months of 2002-2003;

(c) the details of the countries where such investment has been made together with the capital invested; and

(d) the annual profit earned as result of such investment during the said years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) and (c) The level of foreign currency assets at the end of March 1999, March 2000, March 2001, March 2002 and end-December 2002

†Original notice of the question was received in Hindi.